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PRESS RELEASE

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Florida Man Pleads Guilty to Defrauding Company, Used Aliases to Cheat Firm of \$26,000

WASHINGTON - Paul C. Harary, 46, of Boca Raton, Fla., has pled guilty to a federal charge of wire fraud for orchestrating a scheme to defraud the chief executive officer of a publicly traded company of \$26,000, announced U.S. Attorney Ronald C. Machen Jr., James W. McJunkin, Assistant Director in Charge of the FBI's Washington Field Office, and Daniel S. Cortez, Inspector in Charge, Washington Division, U.S. Postal Inspection Service.

Harary entered his plea on June 9, 2011 before the Honorable Henry H. Kennedy, Jr. in the U.S. District Court for the District of Columbia. He is to be sentenced on September 8, 2011. The charge carries a maximum sentence of 20 years of imprisonment and a fine of \$250,000, or both. Under federal sentencing guidelines, Harary faces a likely sentence between 12 to 18 months.

According to a statement of offense agreed to by the government and defendant, Harary devised and carried out a scheme to defraud a publicly traded company, identified in court documents, as "Company X," and the company's chief executive officer. The company, based in Nevada, is in the business of the exploration of precious metals.

In or about August 2009, Harary, using an alias, entered into an agreement to provide investor relations services to the CEO of Company X. At the time Harary entered into the agreement, Harary had pled guilty to conspiracy to commit mail and wire fraud in connection with his role involving two publically traded companies and was pending sentencing before a federal court in Washington, D.C. As a result of Harary's failure to disclose to the CEO who Harary really was, Harary hid from the CEO his guilty plea and pending sentencing.

The scheme began to unravel in November 2009, however, when Harary was taken into custody in connection with the other criminal case. While in jail in Washington, D.C., Harary had a telephone conversation with an individual in Boca Raton. He instructed that person to use another alias to send an electronic mail communication to the CEO stating that Harary's alias had been killed in an accident. Harary did this so that he could keep the \$26,000 for his own use and

benefit.

In announcing the guilty plea, U.S. Attorney Machen, Assistant Director McJunkin and Inspector in Charge Cortez praised the investigative efforts of the Special Agents of the FBI's Washington Field Office and the United States Postal Inspection Service and also recognized the work of U.S. Attorney's Office Paralegal Specialist Diane Hayes and Legal Assistant Krishawn Graham. Finally, they commended the efforts of Assistant U.S. Attorney Vasu Muthyala and former Assistant U.S. Attorney John Griffith, who prosecuted this case.

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